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## Thailand

### Grain and Feed

### Weekly Rice Price Update

**2008**

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**Report Highlights:**

Domestic and export prices increased by nearly 5 percent after a considerable slide since July 2008 due significant flooding during the current harvest period. Flooding is expected to affect head yields of fragrant rice, lowering production in some provinces, particularly for early harvested paddy. The November 5<sup>th</sup> tender for 3.0 million tons of government rice stocks has generated greater than expected participation. The results should be announced within 30 days. However, the Government is expected to be able to release only a portion of the tender, particularly old-crop stocks, as government bench mark prices for this year's intervention stocks remain nearly double current market prices.

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Includes PSD Changes: No  
Includes Trade Matrix: No  
Trade Report  
Bangkok [TH1]  
[TH]

**Indicative Prices (Week Ending Nov. 10):**

Thailand: Export (FOB) Prices for various grades of rice (USD/M.T.)									
	Exporter Observations							Period Avg.	
	#1	#2	#3	#4	#5	#6	#7	CUR.	PRV.
F WR 100 B	740	-	750	-	700	705	-	724	707
WR 100 B	540	-	565	580	580	560	580	568	561
PB 5%	-	-	565	-	560	540	570	559	540
WR 5%	520	-	560	560	560	520	560	547	536
WR 10%	510	-	-	-	-	513	-	512	503
WR 15%	460	-	-	-	-	480	-	470	480
WR 25%	430	-	-	-	-	435	-	433	425
WR 35%	-	-	-	-	-	-	-	-	-
A 1 SUP	285	-	-	-	300	315	320	305	299
A 1 SPEC	-	-	-	-	-	-	-	-	-
Source: Average actual prices received from exporters, Exchange rate: 34.7 baht/U.S.\$									

**Market Tone**

Domestic and export prices increased by nearly 5 percent after a considerable slide since July 2008 due significant flooding during the current harvest period. Flooding is expected to affect head yields of fragrant rice, lowering production in some provinces, particularly for early harvested paddy. Head yield will likely drop by 10-20 percent in some flooded areas, particularly in the lower northeast. In addition, the new intervention program is expected to be fully implemented by mid-November as the Government will likely relax some of the local purchasing requirements enabling rice mills in the northeast to buy fragrant paddy from any province. Farmers are expected to sell paddy to the program as intervention prices are 30-40 percent higher than current market prices.

As for the November 5 tender of government stocks of 3.0 million tons on, there are 36 participants, 15 of which are exporters (including the top five) who are interested in white rice for exports, and the remainder are rice millers who are looking to bid on fragrant rice for domestic sales. Bidding results will be announced within 30 days. The Government is expected to be able to release only a portion of the tender, particularly old-crop stocks of 2.1 million tons (MY2004/05 – MY2006/07), as government bench mark prices for MY2007/08 intervention stocks remain nearly double current market prices.

The following are the reported rice exports (as is basis):

WEEK ENDING	QUANTITY	4-WK AVG	YEAR TO DATE	YEAR AGO	YEAR TO DATE AS % OF LAST YEAR
	(MT)	(MT)	(TMT)	(TMT)	%
Sep 14	129,898	142,930	6,124	3,717	65.0
Sep 21	125,818	135,472	6,250	3,866	61.7
Sep 28	133,622	130,240	6,384	4,060	57.3
Oct 5	88,544	119,470	6,472	4,238	52.7
Oct 12	96,178	111,040	6,569	4,411	48.9
Oct 19	132,978	112,830	6,702	4,604	45.6
Oct 26	71,415	97,279	6,773	4,807	41.0
Nov 2	54,637	64,757	6,754	5,005	36.4
Nov 9	81,977	85,252	6,836	5,209	31.2

*Note on data: Export figures since March 22, 2002, do not include fragrant rice. The authority to report fragrant rice exports was moved from the Thai Board of Trade to the Ministry of Commerce's Office of Commodity Standards, which does not release official fragrant rice export data. FAS/BKK will report only official export numbers from the Board of Trade for non-fragrant and from the Office of Commodity Standards for fragrant rice when available, but the reader should bear in mind the difference between the data.*

Unofficial exports (excluding fragrant rice) for Nov. 3-9, 2008 totaled 81,977 up 27,340 the previous week, and down 3,275 from the four-week moving average of 85,252 tons. Exports during Jan. 1 – Nov. 9, 2008 totaled 6,836,182 tons, as compared with 5,209,379 tons in the previous year.

According to the Department of Foreign Trade, Ministry of Commerce, total rice exports (including fragrant rice) during Jan. 1 – Oct. 31, 2008, amounted to 9,004,067 tons, up 23.7 percent from 7,278,558 tons in the previous year.

## Weekly Rice Sales

Private registered rice export sales for the period of Oct. 20-24, Oct. 27-31, and Nov. 3-7 are as follows:

Movement (MT)	Oct. 20-24	Oct. 27-31	Nov. 3-7
Weekly sales	33,350	67,640	80,650
4 week sum	285,406	260,387	234,835
4 week mov. avg.	71,352	65,097	58,709
Total weekly sales	6,085,607	6,153,247	6,233,897

End of Report.